



DEPARTMENT OF ENERGY

Notice of Intent Regarding the Future Release of Guidance and Application for the Hydroelectric Efficiency Improvement Incentives

AGENCY: Grid Deployment Office, Department of Energy.

ACTION: Notice of intent (NOI).

SUMMARY: The Department of Energy (DOE) Grid Deployment Office (GDO) intends to release the final guidance and open the 2023 application period for the Hydroelectric Efficiency Improvement Incentives as authorized through the Energy Policy Act of 2005 (EPAct 2005) and amended by the Infrastructure Investment and Jobs Act (IIJA) of 2021, in the second quarter of calendar year 2023. This notice provides preliminary information regarding the GDO's Hydroelectric Efficiency Improvement Incentives Program, including application requirements and processes that will be further described in the guidance accompanying the upcoming solicitation. All the information contained in this notice is subject to change.

ADDRESSES: The future application period announcement will be published in the *Federal Register* and guidance will be made available via the GDO website <https://www.energy.gov/gdo/section-243-hydroelectric-efficiency-improvement-incentives-program>.

FOR FURTHER INFORMATION CONTACT: Questions may be addressed to Ms. Luciana Ciocchi, U.S. Department of Energy, Grid Deployment Office, 1000 Independence Ave., S.W., Washington, D.C., 20585, (202) 480-5768 or by email at hydroelectricincentives@hq.doe.gov.

SUPPLEMENTARY INFORMATION: In the coming weeks, the Grid Deployment Office intends to open the 2023 application period for section 243 of EPAct 2005, Hydroelectric

Efficiency Improvement Incentives, as amended by section 40332 IIJA of 2021, Pub. L. 117-58¹.

At that time, GDO will also make available an accompanying guidance document that will describe the application process and the information necessary for the Secretary of Energy to make incentive payments to owners and authorized operators of qualified hydroelectric facilities at existing dams to be used to make capital improvements in the facilities that are directly related to improving the efficiency of such facilities by at least three percent pursuant to section 243 of EPCA 2005.² GDO previously released a request for information (RFI) and held a public webinar related to section 243 incentive. *See* 87 FR 40515 (Jul. 7, 2022). The information gathered through the RFI and webinar were used to support the development of the guidance.

The guidance will describe the application process and the information necessary for the Secretary of Energy to make incentive payments to owners and authorized operators of qualified hydroelectric facilities pursuant to section 243 of EPCA 2005, Hydroelectric Efficiency Improvement Incentives. Topics include, eligibility requirements, general application requirements and process, procedures for processing applications, allocation of funding for eligible projects in the event of oversubscription, and funding restrictions.

Under the statute, the incentive payments include the following limitations: an incentive payment shall not exceed 30 percent of the costs of the applicable capital improvement(s); and no more than one incentive payment may be made to a single qualified hydroelectric facility in any fiscal year that shall not exceed \$5,000,000.³

GDO intends to open the 2023 application period by publishing a notice in the *Federal Register*, in the coming weeks, and releasing the guidance online, which will be located at <https://www.energy.gov/gdo/section-243-hydroelectric-efficiency-improvement-incentives-program>. GDO anticipates utilizing the Clean Energy Infrastructure Funding Opportunity eXCHANGE for submission of applications once the application period is opened. The Clean

¹ Pub. L. 117-58, div. D, title III, §40332(a).

² 42 U.S.C. 15882(a).

³ 42 U.S.C. 15882(b).

Energy Infrastructure Funding Opportunity eXCHANGE is located at <https://infrastructure-exchange.energy.gov/>.

A public webinar will be held in the weeks following the release of the guidance and 2023 solicitation to provide clarity on the guidance document, as necessary. The webinar will be held in a question and answer format with registration details available at <https://www.energy.gov/gdo/section-243-hydroelectric-efficiency-improvement-incentives-program> in the near future.

Signing Authority:

This document of the Department of Energy was signed on February 6, 2023, by Maria Duaine Robinson, Director of the Grid Deployment Office, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC on February 7, 2023.

Treena V. Garrett,
Federal Register Liaison Officer,
U.S. Department of Energy.

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